

ACADIA REALTY TRUST

CORPORATE GOVERNANCE GUIDELINES

1. BOARD MEMBERSHIP

Size and Composition of Board - Independent/Non-Independent. Acadia's board of trustees currently consists of eight members (the "Trustees"), seven "independents" and one "non-independent" (the "Board"). In accordance with the New York Stock Exchange Listed Company Manual, Acadia will always have a majority of independent Trustees.

Independence of Board Trustees. The independence of a Trustee is to be determined by the Board, after consultation with the Nominating and Governance Committee. The Board will make this independence determination in accordance with the guidelines set forth in the New York State Stock Exchange Listed Company Manual. The Board shall disclose the basis for the determination that a Trustee is independent.

Lead Trustee. The Board should have leadership for the independent Trustees. The independent Trustees shall elect annually, from among themselves, an independent Lead Trustee. The duties of the Lead Trustee shall include, without limitation, the following:

- to chair and facilitate discussions among the independent Trustees;
- to facilitate communication between the independent Trustees, the Chief Executive Officer and management;
- to assist in the planning and preparation of meetings of the independent Trustees and meetings of the Board of Trustees, including the preparation of the agendas for such meetings;
- to be available to participate in any and all committee meetings, as needed; and
- to act as the spokesperson of the independent Trustees in matters dealing with the press and public when called upon.

The interests and motivations of the Lead Trustee shall not differ from those of any other independent Trustee. The role of Lead Trustee is not to act in place of management or the Board as a whole. The existence of this position is not intended in any way to inhibit, but rather to promote, discussions among the Trustees or between any of them and the Chief Executive Officer and management.

Independence of the Lead Trustee. The independence of the Lead Trustee is to be determined by the Board, after consultation with the Nominating and Governance Committee. The Board will make this independence determination in accordance with the guidelines set forth in the New York State Stock Exchange Listed Company Manual and in addition, wherever and whenever possible, the Lead Trustee should be a Trustee, who, within the last three years:

- (i) has not served as an executive officer of Acadia;

- (ii) has not been an employee, advisor or consultant to Acadia pursuant to any material, written agreement;
- (iii) has not been affiliated with a company that has been an advisor or consultant to Acadia;
- (iv) has not been affiliated with a company or non-profit entity that received the greater of \$2 million or 2% of its gross revenue from Acadia;
- (v) has not been employed by a public company at which an executive officer of Acadia serves as a director;
- (vi) has not had any of the relationships described above with any affiliate of Acadia; and
- (vii) was not the spouse, parent, child, sibling or in-law of any person described above.

The Board shall disclose the basis for the determination that a Trustee is independent. In the event the Lead Trustee fails to qualify as “independent” in accordance with the guidelines set forth in the New York State Stock Exchange Listed Company Manual, the remaining independent Trustees shall hold a special meeting to elect, from among themselves, a replacement, independent Lead Trustee.

Management Compensation. The Compensation Committee will conduct an annual review of (i) the performance of Acadia’s Chief Executive Officer and Senior Management Team; (ii) the corporate goals and objectives relevant to the Chief Executive Officer’s compensation and evaluate the Chief Executive Officer’s performance in light of those goals and objectives; and (iii) the corporate goals and objectives relevant to the Senior Management Team’s compensation and evaluate the Senior Management Team’s performance in light of those goals and objectives. The Compensation Committee will report its evaluation to the Board and the Board will determine and approve the Chief Executive Officer’s and the Senior Management Team’s compensation based on this evaluation.

Management Succession and Development. The Board, through the Compensation Committee, will monitor issues associated with both Chief Executive Officer succession and Senior Management Team development.

Chief Executive Officer Report. The Chief Executive Officer shall make an annual report to the independent Trustees, in executive session, covering succession planning and Senior Management Team development.

Annual Review. The Compensation Committee will lead the Board in an annual review of Chief Executive Officer and Senior Management Team succession planning and development. The annual review will include a discussion of the preparations in place to deal with an emergency situation involving the Chief Executive Officer or members of the Senior Management Team, the growth and development of the Senior Management Team, and identifying potential

successors to the Chief Executive Officer. In addition, the Compensation Committee shall regularly update the Board on these issues.

Potential Successors. The entire Board will work with the Compensation Committee to (i) develop the criterion it will use to identify potential successors to the Chief Executive Officer and successors to members of the Senior Management Team; and (ii) evaluate potential successors to the Chief Executive Officer and members of the Senior Management Team, including both internal and external candidates. The Chief Executive Officer shall at all times make available his recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

2. BOARD REQUIREMENTS

Attendance. Consistent attendance with a minimum of missed meetings is important in carrying out the responsibilities of being a Trustee. Trustees are expected to attend a minimum of 75% of all Board meetings.

Retirement Age. Some companies have policies for mandatory retirement from the Board after a certain age is reached. Acadia does not have such a policy and does not believe that one is needed at the present time.

Annual Evaluation. This will be a very important part of the Nominating and Governance Committee's functions, prospectively. The Committee will be expected to evaluate the Board as a whole as well as each Trustee as part of its duty in recommending a slate of Trustees for election/re-election.

Resignation Upon Change of Job Responsibility. The Board should consider whether a change in an individual's professional responsibility directly or indirectly impacts that person's ability to fulfill his or her obligations as a Trustee of Acadia. Any Trustee who is an employee of Acadia should submit his or her resignation upon retirement, resignation, termination or other significant change in profession. The Board may accept or reject such resignation in its discretion after consultation with the Nominating and Corporate Governance Committee.

Membership on Other Boards. Generally, Trustees should not serve on an excessive number of other company boards of directors. Trustees should advise the Chief Executive Officer and the Chair of the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve on the board of directors of another company. This is an issue that should be decided on a case by case basis. Additionally, the Chief Executive Officer and other executive officers must seek the approval of the Board before accepting outside board memberships, including corporate and charitable boards which are likely to require attendance during normal business hours.

Stock Ownership. Our policy is to require share ownership among Trustees and Senior Officers of the Company.

Business Dealings Among Trustees. Acadia believes in full disclosure of any potential conflicts of interest among its employees, officers and Trustees. Accordingly, the Company will ask the Trustees to disclose current business dealings among each other as well as disclose future dealings.

Compensation. It is the policy of the Board to provide independent Trustees with appropriate compensation, including quarterly fees, meeting attendance fees, and Committee attendance fees. The current trend is to provide a mix of cash and equity (options/restricted shares). Proposed changes in Board compensation shall initially be reviewed by the Compensation Committee, but any changes in the compensation of Trustees shall require the approval of the entire Board. The Compensation Committee shall periodically review the status of Board compensation in relation to other comparable companies as well as other factors the Committee deems appropriate. The Committee shall discuss its review with the Board.

Trustee Orientation and Continuing Education. The Company's General Counsel and Chief Financial Officer, under the oversight of the Nominating and Governance Committee, shall be responsible for providing orientation to all new Trustees, which should be conducted within two months of the annual or special meeting at which a new Trustee is elected. This orientation will include presentations by Senior Management to familiarize new Trustees with the Company's strategic plans, its significant financial, accounting, legal and risk management issues, its regulatory compliance programs, its Code of Business Conduct and Ethics, its principal officers, and its internal and independent auditors. The General Counsel and Chief Financial Officer also shall be responsible for periodically providing materials or briefing sessions for all Trustees on subjects that would assist them in discharging their duties. Trustees are encouraged to participate in ongoing education seminars and conferences and the Company will reimburse Trustees for reasonable expenses in furtherance of their education activities.

Access to Senior Management. Trustees should have access to the Company's management. It is assumed that Trustees will take into account the importance of ensuring that this contact not be distracting to the business operation of the Company and that such contact, if in writing, be copied to the Chief Executive Officer, as appropriate. One of the roles the Lead Trustee can perform is the role of a liaison with the Chief Executive Officer and other members of management.

Board Interaction With Investors, Media and Others. The Senior Management Team speaks for the Company. Individual Trustees may at the request of the Board and, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company, but it is expected that Trustees would do so only with the knowledge of senior management.

3. MEETINGS OF THE BOARD

Regular Meetings. It is the policy of Acadia to have quarterly meetings, arranged so that the maximum number of Trustees can attend. In general, the meetings will be held at the Company's headquarters in White Plains, New York. Agenda and other materials for the Board meetings will be sent in advance in order to provide Trustees with the opportunity to study the materials prior to the meeting. Special meetings will be called as necessary.

Meetings of Independent Trustees. Following each regular meeting of the Board of Trustees, the independent Trustees shall meet. The meetings shall be chaired by the Lead Trustee.

4. COMMITTEES

Functions, Responsibilities and Objections. Consistent with New York Stock Exchange listing requirements, the Board will have at all times an Audit Committee, a Compensation Committee and a Nominating and Governance Committee. All committee members shall be "independent" under the criteria established by the New York Stock Exchange and under applicable law. It shall be the duty of the Nominating and Corporate Governance Committee to recommend, to the Board, Trustees to serve on the aforementioned committees.

Charters. Consistent with New York Stock Exchange listing requirements, each standing committee will have a written charter approved by the Board. The charters will set forth the purposes and responsibilities of the committees as well as qualifications for committee membership, procedures for appointment and removal, structure and operations, and reporting to the Board. The charters will also provide that each committee will annually evaluate its performance. Consistent with New York Stock Exchange listing requirements, the charters of the Company's most important committees (*i.e.*, the Audit, Compensation and Nominating & Corporate Governance Committees) will be included on the Company's website and copies of these charters will be made available upon request to the Company's Secretary.

5. CLAWBACK POLICY

In the event of an accounting restatement due to material noncompliance with financial reporting requirement under the U.S. federal securities laws (a "Restatement"), the Compensation Committee has the right, in its sole discretion, to use reasonable efforts to recover from any of Acadia's current or former Executive Officers, as that term is defined below, who received incentive based compensation (including annual cash incentives, non-qualified share options, restricted shares, or LTIPs) during the three-year period preceding the date on which Acadia is required to prepare a Restatement (the "Look Back Period"), any excess incentive based compensation awarded in excess of the amount that would have been awarded if such incentive based compensation had been calculated based on the financial results reported in the Restatement.

This clawback policy (the "Clawback Policy") applies to incentive based compensation granted after March 8, 2013.

This Clawback Policy is intended to be interpreted in a manner consistent with any applicable rules or regulations adopted by the SEC or the New York Stock Exchange as contemplated by the Dodd-Frank Act and any other applicable law and shall otherwise be interpreted in the best business judgment of the Compensation Committee. For purposes of this Clawback Policy, "Executive Officers" shall mean any current or former officer of Acadia that is or was required to file Forms 3, 4 or 5 pursuant to Section 16 of the Securities Exchange Act of 1934, as amended, during the Look Back Period.

Executive officers shall be required to sign an acknowledgement of this Clawback Policy in a form to be prescribed by Acadia's General Counsel."